

Montana Public Employees' Retirement Board  
RFP Committee Meeting Minutes  
September 18, 2006

The RFP Committee meeting was called to order at 10:00 a.m. on Monday, September 18, 2006. Committee members present were: Board members, Elizabeth Nedrow and Terry Smith by conference call; Employee Investment Advisory Council members Paula Stoll, Jim Christnacht and Mary Spaulding; MPERA staff members Melanie Symons, Rob Virts and Kathy Samson.

The Committee started with review and approval of the August 28, 2006 meeting minutes.

Kathy Samson briefly reviewed, with the assistance of Board members Nedrow and Smith, the Board comments on the draft RFP from the Board's September meeting. The Board's primary concern was that the number of points assigned to the Board presentation/interview be significant and carry sufficient weight. Overall, the Board was pleased with the progress of the RFP and complimented Chairperson Nedrow and the Committee.

The Committee then quickly reviewed the rewrite of the Administrative and Recordkeeping Services sections; scope of service and evaluation questions. They had minor comments and wished to spend the majority of their time reviewing, understanding and working on the Price Sheets and Scoring.

The Committee then reviewed the Price Sheets/Cost Proposal. The Committee determined that the most appropriate methods of receiving a Cost Proposal would be a flat per participant fee for the entire contract term. This would allow the most accurate and equitable assessment of cost among all offerors. The Committee also determined that requesting a Combined Cost was not applicable and should be struck. The Committee's final Cost Proposal determination was that the "Ratio Method" for assigning points to cost should be used.

The majority of the Committee's time was spent on the "Evaluation Criteria" with significant discussion on the categories and points assigned to each category, including the Board interview and the "threshold" for when offerors should advance to the Board interview. The Committee ran some quick calculations to see how certain thresholds might work, specifically with certain levels of assigned category points and assigned Board points. Board member Smith proposed points and levels; the Committee discussed his proposals and agreed upon the threshold and points to be assigned.

The meeting was adjourned at approximately 1:30 p.m. with final discussions about: 1) the next possible meetings to receive responses; and 2) directives for final changes to Kathy for full Board approval.